

FILED  
ELECTRONICALLY  
11/1/06

1	STUTMAN, TREISTER & GLATT, P.C.	SHEA & CARLYON, LTD.
2	FRANK A. MEROLA	JAMES PATRICK SHEA
3	(CA State Bar No. 136934)	(Nevada State Bar No. 000405)
4	EVE H. KARASIK	CANDACE C. CARLYON
5	(CA State Bar No. 155356)	(Nevada State Bar No. 002666)
6	CHRISTINE M. PAJAK	SHLOMO S. SHERMAN
7	(CA State Bar No. 217173)	(Nevada State Bar No. 009688)
8	1901 Avenue of the Stars, 12 <sup>th</sup> Floor	233 South Fourth Street, Second Floor
9	Los Angeles, CA 90067	Las Vegas, Nevada 89101
10	Telephone: (310) 228-5600	Telephone: (702) 471-7432
11	E-mail: <a href="mailto:fmerola@stutman.com">fmerola@stutman.com</a>	E-mail: <a href="mailto:jshea@sheacarlyon.com">jshea@sheacarlyon.com</a>
12	<a href="mailto:ekarasik@stutman.com">ekarasik@stutman.com</a>	<a href="mailto:ccarlyon@sheacarlyon.com">ccarlyon@sheacarlyon.com</a>
13	<a href="mailto:cpajak@stutman.com">cpajak@stutman.com</a>	<a href="mailto:ssherman@sheacarlyon.com">ssherman@sheacarlyon.com</a>

*Counsel for the Official Committee of Equity Security Holders of  
USA Capital First Trust Deed Fund, LLC*

## UNITED STATES BANKRUPTCY COURT

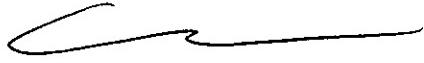
### DISTRICT OF NEVADA

12	In re:	) BK-S-06-10725-LBR
13	USA COMMERCIAL MORTGAGE COMPANY	) Chapter 11
14	Debtor	)
15	In re:	) BK-S-06-10726-LBR
16	USA CAPITAL REALTY ADVISORS, LLC,	) Chapter 11
17	Debtor	)
18	In re:	) BK-S-06-10727-LBR
19	USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,	) Chapter 11
20	Debtor	)
21	In re:	) BK-S-06-10728-LBR
22	USA CAPITAL FIRST TRUST DEED FUND, LLC,	) Chapter 11
23	Debtor.	)
24	In re:	) BK-S-06-10729-LBR
25	USA SECURITIES, LLC,	) Chapter 11
	Debtor.	)
	Affects	) Date: September 28, 2006
	<input type="checkbox"/> All Debtors	) Time: 9:30 a.m.
	<input type="checkbox"/> USA Commercial Mortgage Co.	)
	<input type="checkbox"/> USA Securities, LLC	)
	<input type="checkbox"/> USA Capital Realty Advisors, LLC	)
	<input type="checkbox"/> USA Capital Diversified Trust Deed	)
	<input checked="" type="checkbox"/> USA First Trust Deed Fund, LLC	)

### **NOTICE OF ENTRY OF ORDER DENYING THE UNITED STATES TRUSTEE'S MOTION TO CONVERT CASES TO PROCEEDINGS UNDER CHAPTER 7**

1 PLEASE TAKE NOTICE that an Order Denying the United States Trustee's Motion  
2 to Convert Cases to Proceedings Under Chapter 7 was entered on November 1, 2006, a true  
3 and correct copy of which is attached hereto.

4 DATED this 15<sup>th</sup> day of November, 2006.  
5

6 SHEA & CARLYON, LTD.  
7  
8   
9

---

10 CANDACE C. CARLYON  
11 (Nevada State Bar No. 002666)  
12 SHLOMO S. SHERMAN  
13 (Nevada State Bar No. 009688)  
14 233 South Fourth Street, Second Floor  
15 Las Vegas, Nevada 89101  
16

17 and  
18

19 STUTMAN, TREISTER & GLATT, P.C.  
20 FRANK A. MEROLA  
21 (CA State Bar No. 136934)  
22 EVE H. KARASIK  
23 (CA State Bar No. 155356)  
24 CHRISTINE M. PAJAK  
25 (CA State Bar No. 217173)  
26 1901 Avenue of the Stars, 12<sup>th</sup> Floor  
27 Los Angeles, CA 90067  
28

29 Counsel for the Official Committee of Equity  
30 Security Holders of USA Capital First Trust  
31 Deed Fund, LLC  
32  
33  
34  
35  
36  
37  
38



The Court's findings were made on the record in accordance with 7052.

Entered on Docket  
November 01, 2006

  
Hon. Linda B. Riegle  
United States Bankruptcy Judge

3

4

5

6

STUTMAN, TREISTER & GLATT, P.C.  
FRANK A. MEROLA  
(CA State Bar No. 136934)  
EVE H. KARASIK  
(CA State Bar No. 155356)  
ANDREW M. PARLEN  
(CA State Bar No. 230429),  
1901 Avenue of the Stars, 12<sup>th</sup> Floor  
Los Angeles, CA 90067  
Telephone: (310) 228-5600  
E-mail: [finerola@stutman.com](mailto:finerola@stutman.com)  
[ekarasik@stutman.com](mailto:ekarasik@stutman.com)  
[aparlen@stutman.com](mailto:aparlen@stutman.com)

SHEA & CARLYON, LTD.  
JAMES PATRICK SHEA  
(Nevada State Bar No. 000405)  
CANDACE C. CARLYON, ESQ.  
(Nevada State Bar No. 002666)  
SHLOMO S. SHERMAN, ESQ.  
(Nevada State Bar No. 009688)  
228 South Fourth Street, First Floor  
Las Vegas, Nevada 89101  
Telephone: (702) 471-7432  
E-mail: [jshea@sheacarlyon.com](mailto:jshea@sheacarlyon.com)  
[ccarlyon@sheacarlyon.com](mailto:ccarlyon@sheacarlyon.com)  
[ssherman@sheacarlyon.com](mailto:ssherman@sheacarlyon.com)

14

Counsel for the Official Committee of Equity Security Holders of  
USA Capital First Trust Deed Fund, LLC

15

16

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA

17

In re: ) BK-S-06-10725-LBR  
USA COMMERCIAL MORTGAGE COMPANY ) Chapter 11  
Debtor. )

19

In re: ) BK-S-06-10726-LBR  
USA CAPITAL REALTY ADVISORS, LLC, ) Chapter 11  
Debtor. )

21

In re: ) BK-S-06-10727-LBR  
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, ) Chapter 11  
Debtor. )

23

In re: ) BK-S-06-10728-LBR  
USA CAPITAL FIRST TRUST DEED FUND, LLC, ) Chapter 11  
Debtor. )

25

In re: ) BK-S-06-10729-LBR  
USA SECURITIES, LLC, ) Chapter 11  
Debtor. )

27

ORDER DENYING THE UNITED STATES TRUSTEE'S MOTION TO CONVERT CASES  
TO PROCEEDINGS UNDER CHAPTER 7

28

1 Affects )

2  All Debtors )

3  USA Commercial Mortgage Co. )

4  USA Securities, LLC )

5  USA Capital Realty Advisors, LLC )

6  USA Capital Diversified Trust Deed )

7  USA First Trust Deed Fund, LLC )

8

6 **ORDER DENYING THE UNITED STATES TRUSTEE'S MOTION TO CONVERT  
7 CASES TO PROCEEDINGS UNDER CHAPTER 7  
8 (AFFECTS ALL DEBTORS)**

9 "The United States Trustee's Motion to Convert Cases to Proceedings Under Chapter  
10 7" (the "Motion") having come on for hearing before the above-captioned Court on October  
11 30, 2006 at 9:30 a.m., all appearances having been noted on the record, the Court having  
12 reviewed the Motion and supporting pleadings, having considered statements of counsel and  
13 the pleadings filed in opposition to the Motion, and for good cause appearing;

14 **IT IS HEREBY ORDERED** that the Motion is DENIED.

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1 PREPARED AND SUBMITTED BY:  
2 STUTMAN, TREISTER & GLATT, P.C.

3  
4 *Eve H. Karasik*  
5 Frank A. Merola, Esq.  
6 Eve H. Karasik, Esq.  
7 Andrew M. Parlen, Esq.  
8 1901 Avenue of the Stars, 12th Floor  
9 Los Angeles, CA 90067

10 and

11 SHEA & CARLYON, LTD.  
12 Candace C. Carlyon, Esq.  
13 Shlomo S. Sherman, Esq.  
14 228 South Fourth Street, First Floor  
15 Las Vegas, NV 89101

16 Counsel for the Official Committee of Equity  
17 Security Holders of USA Capital First Trust  
18 Deed Fund, LLC

19 APPROVED/DISAPPROVED:  
20

21 OFFICE OF THE U.S. TRUSTEE

22 Scott Farrow, Esq.  
23 600 Las Vegas Blvd. So., #430  
24 Las Vegas, NV 89101

25 Counsel for the United States Trustee  
26

27

28

1 PREPARED AND SUBMITTED BY  
2 STUTMAN, TREISTER & GLATT, P.C.

3 *Carl H. Metola*  
4 Frank A. Metola, Esq.  
5 Eve H. Karasik, Esq.  
6 Andrew M. Parlen, Esq.  
7 1901 Avenue of the Stars, 12th Floor  
8 Los Angeles, CA 90067

9 and

10 SHEA & CARLYON, LTD.  
11 Candace C. Carlyon, Esq.  
12 Shlomo S. Sherman, Esq.  
13 228 South Fourth Street, First Floor  
14 Las Vegas, NV 89101

15 Counsel for the Official Committee of Equity  
16 Security Holders of USA Capital First Trust  
17 Deed Fund, LLC

18 APPROVED/DISAPPROVED:

19 OFFICE OF THE U.S. TRUSTEE

20 *John D. Burt*  
21 Scott Farlow, Esq.  
22 600 Las Vegas Blvd. So., #430  
23 Las Vegas, NV 89101

24 Counsel for the United States Trustee

25

26

27

28

**RULE 9021 DECLARATION**

In accordance with Local Rule 9021, the undersigned certifies:

- The Court waived the requirements of LR 9021.

I have delivered a copy of proposed order to all attorneys and unrepresented parties who appeared at the hearing regarding this matter and/or who filed a written objection and each has:

  - approved the form of this order; or
  - waived the right to review this order; and/or
  - failed to file and serve papers in accordance with LR 9021(c).

I have delivered a copy of this proposed order to all attorneys and unrepresented parties who appeared at the hearing regarding this matter and/or who filed a written objection and all have either approved the form of this order, waived the right to review the order, failed to file and serve papers in accordance with LR 9021(c) and the following have disapproved the order:

No opposition was filed to the motion and no other party or counsel appeared at the hearing.

DATED this 31st day of October, 2006.

STUTMAN, TREISTER & GLATT, P.C.

Andrew Parlen  
ANDREW M. PARLEN, ESQ.  
1901 Avenue of the Stars, 12th Floor  
Los Angeles, CA 90067

1